

## OFFICIAL COPY

Fresno, California

June 8, 2006

The City Council met in special session at the hour of 6:00 p.m. at Hoover High School, 5550 N. First, on the day above written, for continued consideration of the FY 2007 City of Fresno Budget.

Present were Council members Boyajian, Calhoun, Dages, Perea, Sterling, Westerlund and President Duncan, City Manager Souza, City Attorney Sanchez, City Clerk Klisch, Assistant City Clerk Salazar, Budget Manager Smith, and necessary staff.

Councilmember Westerlund led the Pledge of Allegiance, and welcomed everyone stating Hoover High was a terrific school and was recently recognized for their forensic debate team.

President Duncan clarified issues relative to the budget hearing and motion processes.

**(6:00 P.M.) CONTINUED HEARING ON THE FY 2007 CITY OF FRESNO BUDGET****AIRPORTS DEPARTMENT:**

Airports Director Widmar introduced his assistant and Airport Finance Manager Lima, and gave a PowerPoint presentation on his department's budget which included FY 2006 accomplishments, departmental strategy and tactics, the proposed \$50 million budget, the Capital budget, and the Master Fee Schedule.

Councilmember Westerlund commended staff for their work and for what everything that is going on at the airport, specifically Mexicana Airlines and the FIS, and presented numerous questions relative to the Port of Entry (POE) including what that designation would do for the airport, if POE status would cover agricultural commodities, the accident that occurred at Chandler this date and if there was currently no FAA requirement for fire coverage, the reserve that is maintained and how it will be replenished, the deeding of property that was recently purchased by the RDA contiguous to the airport, the Air National Guard's (ANG) annual lease payment, how the working relationship was with the ANG, concern with the fighter aircraft that is currently being detoured, how much property the ANG was turning over, the parking project, and if there was anything critical in the budget that was not funded.

Mr. Widmar responded briefly to questions of Councilmember Sterling relative to the Chandler Airport restoration project and if painting was included in that project, the Running Horse project depending on the airport being restored/improved and why the project has not been completed, request to keep her informed on the project, and the accident that occurred at Chandler **(2 - 0)**.

Councilmember Dages thanked staff for doing a great job for the city and its citizens.

**MOTION - Dages/Perea - Approve the Airport Department budget as presented.**

Mr. Widmar and Mr. Lima responded to questions of Councilmember Boyajian relative to the survey detailing jobs and where those jobs were created, what things can be done from an economic development standpoint to bring jobs here besides the POE, what monies can be put into the airport to make it a destination area, if speciality airlines were needed, if Frontier Airlines would be renewing and time frame, why total operating revenues were decreasing, what the \$1.75 environmental revenue was, Professional Services, if Frontier Airlines was being subsidized, and if staff would support a city subsidy at some point if needed to keep them here.

Mr. Widmar responded briefly to questions of President Duncan relative to what the prognosis was for potentially expanding international service; President Duncan stated he would be reluctant to offer Frontier an additional subsidy as the City stepped up the plate at 85% load capacity and added they could not be hurting; and stated the airport was being run very well and congratulated staff for a fine job.

**RECESS - 7:09 P.M. - 7:17 P.M.**

President Duncan noted after Tuesday's election something historic happened for the first time in the city's history in that six out of seven council members were now termed-out, stated Councilmember Westerlund would be the only one that will have to face a re-election issue, and added this was a very experienced Council and he was proud to serve with each member.

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**PLANNING & DEVELOPMENT DEPARTMENT:**

Planning & Development Director Yovino acknowledged and thanked his staff and budget staff, and gave a PowerPoint presentation on his budget which included a department summary, organizational structure, FY 2006 accomplishments, FY 2007 funding sources, KRA summary/funding allocation, FY 07 staffing, FY 07 highlights, Code Enforcement cost recovery efforts, FY 07 Housing & Community Development Division Capital Projects, and City of Fresno-sponsored affordable housing projects.

Councilmember Dages commended staff and added he appreciated the meetings held with staff, requested the department conduct more used tire disposal events, expressed his frustration with affordable housing projects in his district stating they seem to take forever, and presented questions relative to the Sports Town project including the \$2 million for property acquisition and what that would get for the city, if there was an actual/realistic price for the project, if all bond money would be involved, need to know the entire cost -- and not the start-up costs -- before approving the project, and feeling that the City is getting into the real estate business, with Mr. Yovino and City Manager Souza responding throughout.

Acting President Perea stated the department was one of the more visionary departments at City Hall, did a great job, and set the standard for thinking out of the box, and presented questions and comments relative to the status of the green demo homes, number of demo projects that will be done, when construction would start, if the \$1.3 million for Broadway Row would go into the pot for downtown housing since is was not happening, if there were design guidelines for subdivisions if, staff has considered/talked about a housing trust fund, support for the Sports Town project but there being a need to have the specifics, and certain pieces of the project that should be borne by the developer, with Housing Manager Sigala and Mr. Yovino responding throughout.

Councilmember Westerlund also commended staff and presented questions/comments at length relative to the movement of the graffiti abatement team to the police department, rationale for the move, if the team would conduct strictly graffiti removal, it being unclear how the move will improve the operation, the current operation working well, if a Position Allocation Resolution (PAR) was needed to move the operation, how long the graffiti tem has been reporting to the police department, if Council should have approved the move, concern as there is a process in place and a reason for Council approving PARs, and his desire to shift the 12 graffiti positions back to the planning & development department, with Mr. Yovino, Mr. Souza and City Attorney Sanchez responding throughout.

**MOTION - Westerlund/Boyajian** - Re-staff the graffiti abatement division at the FY 2006 level within the planning & development department.

Councilmember Westerlund continued and presented questions relative to Broadway Row project including its funding and if the project has been stricken, the Diamond Street project including funding source, if the project would come back to Council for final approval, what school districts were involved, and rationale for the project, economic development priority project processes, who decides to outsource, reimbursements, reserve funding, downtown infill fee reduction funds, if reserve funds can be used for the Hope VI project, desire to see reserve funds stretched as far as possible for affordable housing in the Hope VI area, and the CHDO program, with Mr. Yovino and Budget Manager Smith responding throughout.

The planning & development department budget was continued to Monday, June 12<sup>th</sup> at 6:00p.m. for continued consideration and completion with the PR&CS and personnel departments to follow, and President Duncan stated the meetings were be moved back to City Hall.

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**ADJOURNMENT**

There being no further business to bring before the City Council, the hour of 8:26 p.m. having arrived and hearing no objections, President Duncan declared the meeting adjourned to 6/12/06, at 6:00 p.m.

**APPROVED** on the \_\_\_\_20th\_\_\_\_ day of \_\_\_\_\_ June \_\_\_\_\_, 2006.

\_\_\_\_\_/s/\_\_\_\_\_  
Jerry Duncan, Council President

ATTEST: \_\_\_\_\_/s/\_\_\_\_\_  
Yolanda Salazar, Assistant City Clerk

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